

The City of Springfield, Ohio
City Commission Public Hearing Minutes
Tuesday, June 22, 2021 – 6:35 p.m.
City Hall Forum

152-21 Public review and discussion of the 2022 Tax Budget.

The public hearing was called to order by President Copeland. Roll Call was answered by Mrs. Chilton, Dr. Estrop, Mr. O'Neill, Mr. Rue, and President Copeland.

Mr. Copeland inquired from the Clerk if proper legal notice was given on such public hearing.

The Clerk read a communication relative thereto, attached to which were copies of the public hearing notices. Said notices were published in the *Springfield News-Sun* on May 28, 2021.

On motion of Mr. Rue, seconded by Mr. O'Neill, the communication and notice were ordered received, recorded in the minutes, and filed.

Yeas, Mrs. Chilton, Dr. Estrop, Mr. O'Neill, Mr. Rue, and Mr. Copeland.

Yeas 5, Nays 0.

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June 22, 2021

Honorable City Commission  
The City of Springfield, Ohio

Honorable Commissioners:

Notice of a public hearing was published in the *Springfield News-Sun*, a newspaper of general circulation within the City, advertising the City Commission's review and discussion of the 2022 Tax Budget.

Attached hereto are a true and correct copies of the legal notices published on May 28, 2021.

Respectfully submitted,

Jill R. Pierce  
Clerk of the City Commission

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NOTICE OF PUBLIC HEARING
CITY OF SPRINGFIELD, OHIO
2022 TAX BUDGET

A public hearing regarding the City of Springfield, Ohio 2022 Tax Budget will take place at 6:35 p.m., Tuesday, June 22, 2021 in the City Commission Forum of City Hall, 76 East High Street, Springfield, Ohio. The purpose of the hearing is for public review and discussion of the 2022 Tax Budget.

The City of Springfield, Ohio
Mark Beckdahl
Finance Director
May 25, 2021
5-28/2021

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Mr. Copeland then called upon Finance Director Beckdahl for a staff report.

Mr. Beckdahl stated that the tax budget is a revenue document and the beginning of the annual budget process. The purpose of the document is (a) to set millages for real estate tax collections; (b) to establish a base of revenue estimates for the upcoming budget year; and (c) to combine estimated receipts with estimated end-of-year unencumbered cash balances, thereby establishing the maximum appropriation capacity for the upcoming appropriations budget. Mr. Beckdahl noted the City receives a portion of real estate taxes from Clark County, but it is not a significant part of the annual budget.

The estimated property tax millages were indicated as follows:

|                              |            |              |
|------------------------------|------------|--------------|
| Special Police Levy          | 3.00 mills | \$ 2,568,122 |
| Police and Fire Pension Fund | 0.60 mills | \$ 513,624   |
| Conservancy District         | 0.47 mills | \$ 400,000   |

Mr. Beckdahl continued noting the City relies heavily on income tax as its primary revenue source and stated that the 2022 General Fund estimated receipts are as follows:

|                  |              |               |
|------------------|--------------|---------------|
| Income tax       | 80.0 percent | \$ 39,780,000 |
| Local government | 4.0 percent  | \$ 1,975,000  |

|                              |              |              |
|------------------------------|--------------|--------------|
| State-shared taxes           | 0.0 percent* | \$ 88,00     |
| Fines, licenses, and charges | 7.0 percent  | \$ 3,360,200 |
| Interest earnings            | 1.0 percent  | \$ 300,000   |
| All other                    | 8.0 percent  | \$ 4,265,100 |

\*less than 0.1 percent

The following report recapped the City's major operating and capital funds:

|                            |              |              |
|----------------------------|--------------|--------------|
| General Fund               | 51.0 percent | \$49,768,300 |
| Special Police Levy Fund   | 4.0 percent  | \$ 3,446,722 |
| Permanent Improvement Fund | 7.0 percent  | \$ 7,220,000 |
| Street Funds               | 5.0 percent  | \$ 5,228,000 |
| Utility Funds              | 32.0 percent | \$31,474,900 |
| CDBG                       | 1.0 percent  | \$ 1,400,000 |

### COMMENTS

Mr. Copeland asked if there were comments from the Commission.

Dr. Estrop commented on the Greater Ohio Policy Center's Housing Report which noted the large number of citizens who are delinquent on real estate taxes, and the impact of unpaid taxes on the city school district, the city and other recipients. Mr. Beckdahl agreed noting the majority of real estate taxes collected are used to fund public safety efforts.

Dr. Estrop asked for a comparison of the Local Government Fund amounts received in past years compared to current allocations. Mr. Beckdahl stated the previous state funding was \$5 million a year compared to less than \$2 million currently.

Mrs. Chilton noted the difference in income tax receipts from 2013 to 2020, and Mr. Beckdahl noted passage of the additional 0.4 percent income tax levy in 2017 has significantly supported the General Fund in the past few years. The additional tax generated allows for public safety funding, street paving, and other projects. Mrs. Chilton noted the high costs related to running a city.

Mr. Copeland noted the Ohio legislature would likely pass legislation allowing employees who now work remotely for local businesses not to pay city income tax. Mr. Beckdahl stated passage of House Bill 110 would be detrimental. Temporary state funding would not fill the gap in the long term. City Manager Heck noted the effective dates are expected to be retroactive to March 2020. Mr. O'Neill asked about the financial impact of the change, and Mr. Beckdahl estimated 30 to 35 percent of employees working for city businesses are commuters. It is difficult to estimate the number of remote workers who will remain remote, and how many businesses may return to in-person office workers.

Dr. Estrop commented requests for new business tax abatements may need to consider if their workers are in-person or remote workers. Mr. Copeland commented on the need for new jobs in the city. Mr. O'Neill suggested looking at ways other cities are making up for this revenue loss.

Mr. Heck introduced Treasurer Andrew Luttrell who has served as the City's Utility Billing Manager for many years.

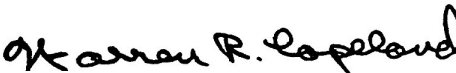
Mr. Copeland then asked if there were comments from the audience, and there were none.

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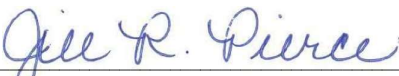
There being no further business, on motion of Mr. Rue, seconded by Mr. O'Neill, the public hearing adjourned at 7:02 p.m.

Yeas, Mrs. Chilton, Dr. Estrop, Mr. O'Neill, Mr. Rue, and Mr. Copeland.

Yeas 5, Nays 0.



PRESIDENT OF THE CITY COMMISSION



CLERK OF THE CITY COMMISSION